

FLA Audit Profile	
Country	Bangladesh
Name of Factory	100005620F
Independent External Monitoring Organization	PHULKI
Date(s) in Facility	July 17-19, 2007
FLA Affiliated Compan(ies)	Phillips-Van Heusen Corp.
Number of Workers	998
Product(s)	Dress shirts
Production Processes	Cutting, sewing, finishing, ironing, folding, packing

FLA Code/Benchmark	Compliance Status	Describe noncompliance, risk of noncompliance or uncorroborated evidence of noncompliance	List sources/documentation used for reference and corroborating evidence (e.g. worker interviews, factory walkthrough, records review, etc.)	Cite and describe local and/or country laws used for additional reference	Describe notable features implemented by factory management or Company
<b>1. Code Awareness</b>					
<b>GEN 1:</b> Establish and articulate clear, written workplace standards. Formally convey those standards to Company factories as well as to licensees, contractors and suppliers.	Noncompliance	The Code of Conduct has only been communicated by Phillips-Van Heusen (PVH) to management and not to workers. The management was provided training on the Code of Conduct by PVH in 2006 at a workshop in Dhaka. PVH personnel have not visited the factory in the past 2 years and hence no training has been provided. Also, no written instruction noted. Initial audit date: Feb. 5, 2003; first follow-up Dec. 18, 2003; second follow-up and the last internal audit for PVH June 13-16, 2005.	Management interview and records review		
<b>GEN 2:</b> Ensure that all Company factories as well as contractors and suppliers inform their employees about the workplace standards orally and through the posting of standards in a prominent place (in the local languages spoken by employees and managers) and undertake other efforts to educate employees about the standards on a regular basis.	Risk of noncompliance	The workers can read posting but postings are in small font size. Also, the notices are posted one on top of the other so only the top notice is visible at one time and the worker has to make an effort to read the entire notice.	Management interview, worker interview and records review		
<b>2. Forced Labor</b>					
There will not be any use of forced labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise.					
F.14 Forced Overtime	Noncompliance	Excessive overtime is compulsory for all during shipment.	Management interview, worker interviews and records review		
<b>3. Child Labor</b>					
No person will be employed at an age younger than 15 (or 14 where the law of the country of manufacture allows) or younger than the age for completing compulsory education in the country of manufacture where such age is higher than 15.					
<b>4. Harassment or Abuse</b>					
Every employee will be treated with respect and dignity. No employee will be subject to any physical, sexual, psychological or verbal harassment of abuse.					
H&A.1 General Compliance Harassment and Abuse	Risk of noncompliance	The factory has a procedure on grievance handling but no written policy and procedure on harassment and abuse. Management understands the unwritten policy on harassment and abuse, but it is not documented anywhere.	Management interview and records review		
H&A.5 Discipline/Written Disciplinary System	Risk of noncompliance	Factory has no written disciplinary process.	Management interview, worker interview and records review		
H&A.6 Discipline/Worker Awareness and Participation of Workers	Risk of noncompliance	In the worker handbook there was a paragraph on activities treated as causes for termination. However, the paragraph does not mention the process to be followed if a worker is terminated and how a worker can make an appeal against it.	Management interview, worker interview and records review		
H&A.11 Discipline/Verbal Abuse	Noncompliance	As per worker interviews, if there are any mistakes or rejections the supervisors throw the garments on the worker and if they cannot meet the production targets the supervisors shout at them.	Worker interview		

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Other	Noncompliance	As per worker interviews, if they do 50 pieces per hour for a month then a target of 60/70 pieces is given for the next month. The workers find the production targets very high and see it as a form of harassment.	Worker interview		
<b>5. Non-Discrimination</b>					
No person will be subject to any discrimination in employment, including hiring, salary, benefits, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin.					
D.2 Employment Decisions	Uncorroborated noncompliance	The absence of a written performance appraisal system suggests that there may be a possibility of nepotism during promotions.	Management interview and records review		
D.9 Protection and Accommodation of Pregnant Workers and New Mothers	Noncompliance	Pregnant woman does not get any extra facility during work (light or alternative job).	Management interview, worker interview and records review		
Other	Risk of noncompliance	The factory has a non-discrimination policy but no written procedure.	Management interview, floor visit and records review		
<b>6. Health and Safety</b>					
Employers will provide a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of employer facilities.					
H&S.2 Document Maintenance/Worker Accessibility and Awareness	Risk of noncompliance	Current information on labor laws and health and safety regulations posted on the notice board in Bengali but font size is small so it is difficult for the workers to read.	Visual inspection		
H&S.8 Permits and Certificates	Noncompliance	The fire license of the factory expired in June 2005. Management informed that it was renewed up to June 2007 and that initiative to renew it again was taken. In spite of several reminders, they did not provide any documents to the monitors; they only provided the documents up to the June 2005 renewal and it was not posted on the production floor or notice board.	Management interview and records review		
H&S.9 Evacuation Requirements and Procedure	Noncompliance	Date of some fire extinguishers expired in the last month.	Floor visit and worker interview		
H&S.10 Safety Equipment and First Aid Training	Noncompliance	Most of the first-aid boxes were empty. Although the factory posted a list of medicines and first-aid kits on the first-aid box, the medicines were not there. Listed medicine was appropriate for the types of injuries likely to occur.	Floor visit and worker interview		
H&S.11 Personal Protective Equipment	Risk of noncompliance	Factory provides scarves, metal hand gloves, hand socks and face masks but there are no signs or diagrams indicating the need for such equipment posted on the production floor.	Floor visit, management interview and worker interview		
H&S.12 Use of Personal Protective Equipment	Risk of noncompliance	Metal hand gloves are not used in the cutting section although they are supplied by employer/management. Few workers wore face masks and scarves.	Visual inspection		
H&S.21 Medical Facilities	Noncompliance	The factory has a part-time doctor (for two hours). Usually, the doctor comes any time during regular working hours. There were no trained nurses or paramedics.	Worker interview, visual inspection, management interview and record check		
H&S.22 Sanitation in Factory Facilities	Noncompliance	The factory has a common dining room and it was not clean. The toilet was not clean. There was no soap, sandals or towels in the washroom. Water supply was not sufficient in toilet.	Floor visit and worker interview		
<b>7. Freedom of Association and Collective Bargaining</b>					
Employers will recognize and respect the right of employees to freedom of association and collective bargaining.					

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FOA.1 General Compliance Freedom of Association	Risk of noncompliance	There is no independent worker representation in the facilities. Management informed auditors that they will form a worker-management committee, selecting the members of the committee.	Management interview, worker interview and records review		
<b>8. Hours of Work</b>					
Except in extraordinary business circumstances, employees will (i) not be required to work more than the lesser of (a) 48 hours per week and 12 hours overtime or (b) the limits on regular and overtime hours allowed by the law of the country of manufacture or, where the laws of such country will not limit the hours of work, the regular work week in such country plus 12 hours overtime; and (ii) be entitled to at least one day off in every seven day period.					
HOW.1 General Compliance Hours of Work	Noncompliance	Instead of maximum 12 hours OT in a week, workers have excessive OT (i.e., maximum 24 hours for a week during the peak production period). Factory management informed that issues were communicated to PVH through e-mail and a copy was showed to the monitors.	Time records review and worker interview		
HOW.1 General Compliance Hours of Work	Noncompliance	Management only announced OT through the PA system 2 hours before the end of regular working hours. Monitors did not find any written documents/notice on the notice board about OT.	Factory tour, management interview, worker interview and records review		
HOW.2 Rest Day	Noncompliance	In the month of June 2007, workers in the cutting and finishing sections had to do work on June 20, 2007 (weekly off day) and worked consecutively for 13 days (June 14-26) without any replacement leave.	Time cards, review of attendance registers and worker interview		
HOW.8 Overtime/Reduced Mandated Overtime	Risk of noncompliance	Management showed a notice to the monitors and it indicated that OT was not mandatory for all; rather, it depends on the workers' willingness. However, monitors did not find any written documents/notice on notice board. Management informed monitors that it was announced through PA system two hours before the end of the regular working hours.	Worker interview and records review		
<b>9. Wages, Benefits and Overtime Compensation</b>					
<b>WAGES AND BENEFITS:</b> Employers recognize that wages are essential to meeting employees' basic needs. Employers will pay employees, as a base, at least the minimum wage required by local law or the prevailing industry wage, whichever is higher, and will provide legally mandated benefits.					
<b>OVERTIME COMPENSATION:</b> In addition to their compensation for regular hours of work, employees will be compensated for overtime hours at such premium rate as is legally required in the country of manufacture or, in those countries where such laws will not exist, at a rate at least equal to their regular hourly compensation rate.					
WBOT.4 Timely Payment of Wages	Noncompliance	Workers are not getting overtime payment along with monthly salary. If a worker is absent on the salary disbursement day then the salary is given to the worker the next month along with the next month's pay (i.e. 2 months salaries together). As per the management, workers can ask for their salary within 7 days but workers did not know about this policy.	Worker interview, management interview, payroll sheet and other records review		
WBOT.5 Holidays, Leave, Legal Benefits and Bonuses	Noncompliance	In the month of June 2007, workers in the cutting and finishing sections had to do work on June 20, 2007 (weekly off day) and worked consecutively for 13 days (June 14-26) without any replacement leave.	Worker interview, management interview, payroll sheet, time records and other records review		

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WBOT.23 Posting Notices	Risk of noncompliance	The workers can read them but postings are in small font size. Also, the notices are posted one on top of the other so only the top notice is visible at one time and the worker has to make an effort to read the entire notice.	Floor visits and management and worker interview		
WBOT.26 Pay Statement	Risk of noncompliance	Overtime payment was not given as per pay slip record. Pay slip is given 2-3 days after salary date.	Worker interviews		
WBOT.27 Wage Receipt	Risk of noncompliance	If a worker leaves the job, there have been instances when salary is not paid. Management informed monitors that at times workers who have left the job without notice have or have not come to receive payment. Monitors also found in the payroll sheet that some workers who left did not draw their wages.	Workers interview, records review		
<b>10. Miscellaneous</b>					
Subcontracting, homework and other issues not covered by above benchmarks and code requirements.					